

**UNION
RATIFIES
NEW
CONTRACT
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Technologies
partnership

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Y-12

Two new Y-12 buildings are closer to reality, with groundbreaking expected to take place in early 2005 and completion in 2006.

Nearly 1,500 employees, currently housed in almost 40 separate buildings, will move into these facilities. Total square footage for both buildings is more than 500,000. This initiative continues the efforts to radically reduce the Y-12 site footprint by replacing antiquated structures, most more than 50 years old.

These buildings will be built with private-sector financing totaling more than \$100 million, and, over the next 25 years, this approach will save the government nearly \$100 million in reduced operating, maintenance and renovation costs. The prominent Knoxville firm, Lawler-Wood, has been chosen as the developer. (Successful Lawler-Wood projects include the First Tennessee building, Pilot Oil headquarters, and the SunTrust Financial Center, among others).

"These innovative new buildings are the cornerstone of our modernization efforts and represent the continued momentum toward a bright future for BWXT Y-12," said Dennis Ruddy, president and general manager. "Facilities like these will help us recruit and retain the best and the brightest while keeping us competitive and better serving our current customers and employees."

The three-story, 450,000-square-foot "Production Interface Building" will contain



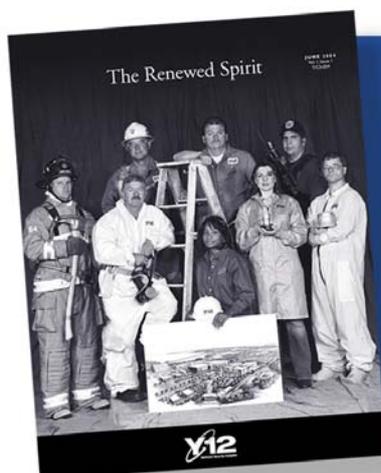
Groundbreaking for construction of Y-12's "Production Interface Building" and "Public Interface Building" is scheduled to begin in 2005.

office space for 1,200 people, a new cafeteria, a new medical center, laboratory space and a 400-seat auditorium. The building will be located on a hillside just north of the current administration building.

The 100,000-square-foot "Public Interface Building" will contain office space for 300 people, a visitors' center, badging office and a public exhibit center to highlight the proud tradition of Y-12 and its renewed spirit. This building will be located along Scarboro Road between Bear Creek Road and New Hope Pond Road.

According to Randy Spickard, Director, National Security Programs, "Lawler-Wood is currently preparing a more detailed design that will give us more thorough cost estimates. This information will be submitted later this year, hopefully for final approval to proceed with early '05 groundbreaking. We will certainly keep everyone at Y-12 up to speed on our progress."

Models of the new buildings will be unveiled for viewing in the near future.

**The Renewed Spirit makes its debut**

The Renewed Spirit is a new quarterly report that provides insight about Y-12. The inaugural issue covers the first two quarters of the current fiscal year. The publication will focus on significant events and accomplishments of Y-12 organizations and individuals.

Look for the debut issue of The Renewed Spirit in a mailbox near you. If you have not received a copy, you may request one from Public and Governmental Affairs at 574-1640.

Denny's desk *Great Weeks for Y-12*



We had a couple of great weeks for Y-12 in June, and I want to make sure you hear about them from me (further details are in this issue of the *BWX TYmes*).

First, "We have a contract!" On June 26, the Atomic Trades and Labor Council approved our contract proposal by a substantial majority. This is great news and certainly unifies all of us for the work ahead.

Second, a major breakthrough in our modernization efforts occurred with the design approval of two private-sector funded buildings, which will help us reduce the Y-12 footprint.

Third, the House Appropriations Committee has recommended allocations of \$160 million above our current budget for the next fiscal year. Keep in mind: These numbers are not locked in yet, but this *is* a vote of confidence in Y-12 from the U.S. government and speaks of our positive energy in Washington.

Fourth, BWXT Y-12 gave \$1 million to the Oak Ridge High School renovation project. As BWXT Y-12 grows, the donation could grow up to \$2.5 million. This donation shows our commitment to the future of Oak Ridge.

Last, we continue finding ways to work smarter and safer. Behavior-Based Safety recently kicked off the B.E.S.T. (Building Everyone Safe Tomorrows) process, and accident rates are at an all-time low. Look for a recurring B.E.S.T. section in upcoming issues of the *BWX TYmes* and on YSource.

We are shaping Y-12 to meet the ever-changing needs of our customers and our community, and it is clear that they are taking notice.

So we are entering July on a high note, and I want to remind you that the possibilities are endless as to what we can accomplish in the future. Keep working safely to make every week a great week at Y-12.



A soldier returns

Jeff Knott of Safeguards and Security cuts the yellow ribbon outside his building. Knott, a major in the Army Reserve, returned to work in May after serving eight months in Iraq. In addition to honoring his service with a yellow ribbon, Jeff's coworkers presented him with a gift certificate for a bed and breakfast stay.

Y-12 delivers HEU for conversion to electricity

The Y-12 National Security Complex helped the United States Enrichment Corporation Inc. Highly Enriched Uranium Transfer Program reach a milestone by bringing the amount of HEU delivered to more than two-thirds of the total quantity.

More than 32 metric tons of the 50-metric-ton total have been delivered to BWXT-Nuclear Products Division in Lynchburg, Va., with Y-12 on track to ship an additional 10 metric tons this fiscal year.

Y-12's participation in USEC's Megatons to Megawatts Program began when the U.S. Department of Energy and USEC agreed for Y-12 to process and ship the HEU.

HEU is cast, packaged and shipped to Virginia, where it is converted to nuclear reactor fuel. The fuel is marketed to USEC's nuclear utility customers.

"This is truly a win-win situation for all concerned as processing of the HEU to low enriched uranium fuel achieves DOE's twin goals of reducing nuclear proliferation risk and recovering the material's economic value," stated Keith Pilcher, USEC program manager.

Pilcher added that all performance-based incentives for FY 2002 and 2003 were met.

The USEC program is one of the larger plant programs and consistently leads in the amount of material annually shipped off site. USEC directly funds material processing at Y-12.



Y-12 is a major supplier of HEU for the USEC Megatons to Megawatts Program that converts surplus nuclear material to reactor fuel.

Applied Technologies partners with NCDMM



From left to right, Mike Monnett, manager of Business Development, Roland Seals, principal investigator, Mark Huston, executive director NCDMM, and Chris Clark, manager of Technology Deployment, discuss a partnership between Y-12 and NCDMM.

Representatives from Y-12's Applied Technologies division submitted paperwork to the National Center for Defense Manufacturing and Machining to become an alliance partner of the Center.

NCDMM—a U.S. Department of Defense-funded organization—is managed by Kennametal, a world-class supplier of machine tooling. The Center works to deliver state-of-the-art manufacturing solutions for existing and future defense systems.

In January, representatives from NCDMM and Kennametal visited Y-12, and according to Mike Monnett, manager of Y-12 Business Development, "The meeting was an outstanding event: Two days of the technical folks from Y-12 and the NCDMM exploring areas where we could help each other develop the next generation of tools for both defense and industry."

NCDMM was particularly interested in Roland Seals' work on developing nano-tube materials to create a technological leap in cutting-tool technologies. Monnett, Seals and Chris Clark, manager of Y-12 Technology Deployment, later met with NCDMM representatives to discuss a partnership.

Clark noted, "Y-12 is exploring many new technologies with direct application to the improvement of manufacturing and machining technologies. A part of our mission is to ensure that these technologies make it into other federal agencies and U.S. industry. Working with the NCDMM aligns perfectly with this mission and complements the resources of both organizations."

Y-12 hosts readiness workshop

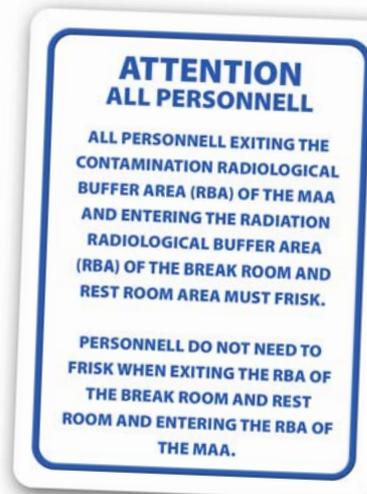
Around 50 representatives from various government agencies and subcontractors attended the fourth annual BWX Technologies/Bechtel-sponsored readiness workshop held recently at the Y-12 National Security Complex.

Introductory remarks by Bill Brumley, National Nuclear Security Administration Y-12 Site Office manager, and Steve Liedle, BWXT Y-12 deputy general manager, highlighted the importance of continuing improvement required in the readiness area. Joe Crociata, Engineering, and Dale Christenson, YSO, coordinated the meeting, with support from Cindy Bailey and Jean Pereira of the Y-12 Audit Center and Stuart Hames of Communications Services.

The readiness workshop focused on two key readiness challenges—readiness preparation and management assessment of readiness. During several working group sessions, the group discussed lessons learned, current readiness practices and critical factors requiring additional attention. Closeout evaluations submitted by the attendees noted they found the breakout sessions and focus areas useful in identifying not only areas to work on but also solutions already developed at other sites.

"We've had the opportunity [in the workshop] to discuss readiness activities at different sites and adapting initiatives to facilitate improvements," said Crociata, Y-12's Defense Nuclear Facilities Safety Board liaison.

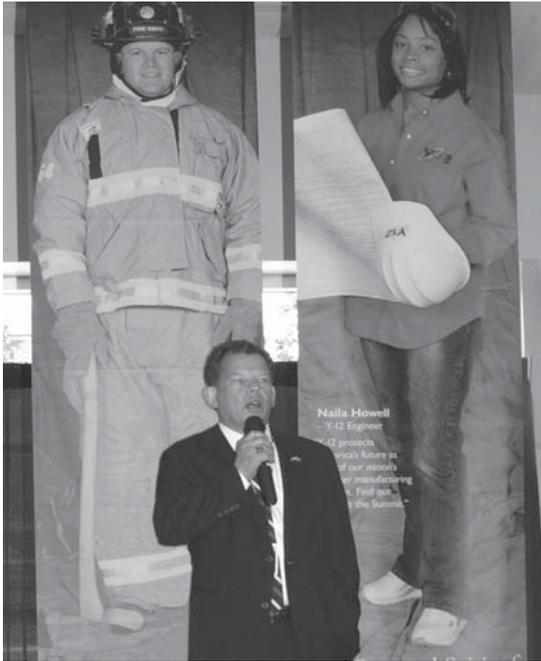
The first readiness workshop, in February 2002, was the first time representatives from the various organizations and sites met to discuss ways to share lessons learned and identify opportunities for cooperative initiatives across the complex.



Bad Signs

Believe in signs? Some signs posted around Y-12 may not be good examples.

If you notice a "bad sign," forward the location and/or wording to Melissa Leinart (6ml). If we use your example in the *BWX TYmes*, you will receive a Y-12 umbrella.



Dennis Ruddy addresses the crowd during the Y-12 reception held at the Tennessee Valley Corridor Summit June 1.

Y-12 showcases accomplishments and renewed spirit at summit

The Y-12 National Security Complex displayed several exhibits at this year's Tennessee Valley Corridor Summit and hosted a reception following the sessions.

This year's theme was Research & Technology & Jobs and Dennis Ruddy was a featured speaker in Session II, "A Renewed Spirit of Innovation in the Valley." Secretary Tom Ridge of the Department of Homeland Security was keynote speaker for the luncheon session, "Homeland Security: Meeting America's Newest Challenge."

The corridor has expanded from its Tennessee origin into Alabama, Kentucky and Virginia. This expansion is in

line with what Congressman Zach Wamp envisioned when he first proposed the corridor in the mid-1990s.

Wamp felt that residents could benefit economically from their proximity to Y-12 and Oak Ridge National Laboratory, the Tennessee Valley Authority in Chattanooga and Knoxville and The University of Tennessee in Knoxville if those agencies joined together in a mutually beneficial organization.

The corridor now includes the Marshall Space Flight Center and the Redstone Arsenal in Huntsville, Ala.; the UT Space Institute in Tullahoma, Tenn.; Virginia Tech; and agencies and organizations in eastern Kentucky.

What really happens when you 'Take Your Child to Work'?

Some 100 children attended Y-12's *Take Your Child to Work Day* in June when Y-12 welcomed the children of employees to visit their parent's workplace. The purpose was to offer an opportunity to learn about the world of work at the Y-12 National Security Complex.

The day's activities included breakfast, a welcome from Terry Olberding of the National Nuclear Security Administration's Y-12 Site Office, career booths, a tour of the American Museum of Science and Energy, a bus tour and historical talk and demonstrations of the gantry mill and Search On Site canines.

At lunch with their parents, the children were welcomed by President and General Manager Dennis Ruddy and enjoyed the Personal Protective Equipment Fashion Show. The children then returned to AMSE for more fun and exploration.

Each participating child received a photo badge and a gift bag filled with Y-12 items.



Sylvia Davis, Workforce Program Management, helps Connor Georgopoulos and his father, Dimitri Georgopoulos of Engineering, during registration for a memorable Take Your Child to Work Day.

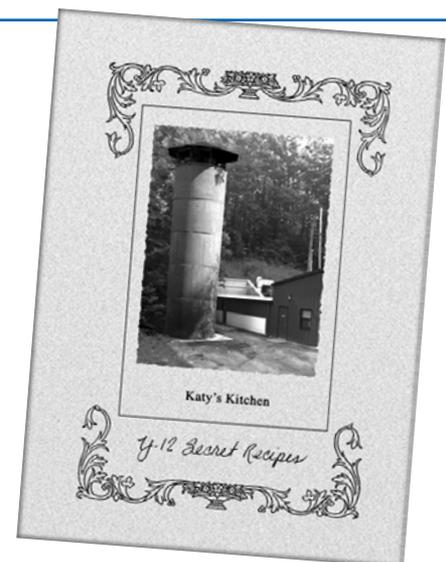
You're going to be in print

Remember those recipes you submitted? They are being compiled into a cookbook that will be available for purchase in mid-August for \$13 each or two for \$24. Proceeds from *Katy's Kitchen: Y-12 Secret Recipes* will benefit the 2004 United Way Campaign.

The Y-12 cookbook provides a variety of almost 300 recipes from Y-12 employees, retirees and friends. Not only do you get some great recipes, but you get a look into Y-12's secret past.

What was Katy's Kitchen? How long was it in use? Who from Y-12's past was held hostage and ate a meal there? To find out the answers to these questions and other interesting Y-12 facts, reserve your limited edition copy now by contacting Amy Bush (576-0972; b7a).

A taste-testing event is also being planned to coincide with the United Way kickoff; details will be announced on YSource and in the next *BWX Tymes*.



Y-12 in the news

WBIR Action 10 News reporter Teresa Woodard offered an exclusive look behind Y-12 in a two-part series that included an infrastructure and modernization tour and a training session with the security force that patrols Y-12's perimeter.

Below are excerpts from the series' transcripts that included interviews with Dennis Ruddy, president and general manager, Ray Smith and Mark Sollenberger, both of Projects, and Jim Rackstraw of Wackenhut Services Inc. - Oak Ridge.

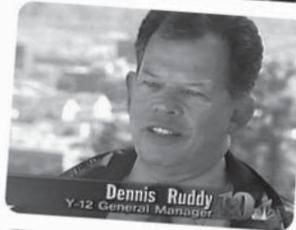
Part 1—Defining Y-12:

"This 'secret city' is the U.S. Department of Energy's Y-12 National Security Complex, made famous as a major player in World War II's Manhattan Project. Today, Y-12 houses America's entire stockpile of enriched uranium, the key ingredient in most modern nuclear weapons.

"Its critical role in world security puts it high on many terrorists' most-wanted lists. This means that what happens inside Y-12 is rarely discussed outside its fences. The need for tight security means stories about Y-12 can't easily be told, and most area residents don't really understand what happens there.

"There's a habit of not talking about things for the people who work here, and there's a habit of not inquiring about things (within) the community," admits Y-12 General Manager Dennis Ruddy.

"Because of the materials handled within the



Y-12 National Security Complex and the things that go on inside, the general public can't get in. But in a special tour, Action 10 News did.

"During the tour, it became clear that while the secrecy surrounding Y-12 is clearly important for national security, it also sometimes causes conflict. As an example, although Action 10 News was the first television news crew ever to be allowed to shoot video of the plant from a tall ridge overlooking it, the Y-12 security teams closely monitored everything reporters and photographers did while visiting the complex."

Part 2—Securing Y-12 and the public:

"Our mission here is to teach the basic rule of shoot, move and communicate," explains Wackenhut's Director of Training Jim Rackstraw. Though Rackstraw runs the training facility, he doesn't actually work for the U.S. Department of Energy. This is because DOE contracts with Wackenhut, a private company, to provide security at the agency's facilities.

"Rackstraw describes the security force he trains for Y-12 as the best of the best."

To get a closer look behind the fences, you can read the complete story at www.wbir.com and type "Behind the Fences" in the search field.

Y-12 staff receives PRSA awards

Y-12 employees recently garnered six awards from the Volunteer Chapter of the Public Relations Society of America.

Melissa Leinart, Public and Governmental Affairs, Kathryn King-Jones, Heidi Spurling, Betty Martin and Sandra Schwartz, all of Communications Services, won the top award, an Award of Excellence, in the newsletter category for *BWX TYmes*.

Four writing awards were won. Bill Wilburn, P&GA, won an Award of Quality, Features for "Haute Couture Has Nothing on Y-12." Heidi Spurling won an Award of Quality, Hard News for "Waste Operations 'Talks Trash'." Bill Wilburn and Melissa Leinart each won Awards of Merit, Hard News for "Fly Me to the Moons—of Jupiter" and "Keeping Count," respectively.

Pat Carson, P&GA, won an Award of Merit in the Special Events category for "A Celebration of the George Washington Carver Project," a community outreach effort sponsored by BWXT Y-12.

PRSA, headquartered in New York City, is the world's largest professional organization for public relations practitioners with nearly 20,000 members organized into 116 chapters, representing business and industry, counseling firms, government, associations, hospitals, schools, professional services firms and nonprofit organizations.



The core team of the BWX TYmes includes back row, left to right, Sandra Schwartz and Betty Martin, graphic designers; front row, left to right, Kathryn King-Jones, writer-editor; and Melissa Leinart, managing editor. Not pictured is Heidi Spurling, writer-editor.

Providing affordable health-care benefits



With the cost of medical benefits continuing to rise, long-term solutions to controlling health-care costs and improving the health-care system are on Y-12's radar screen.

In 2002, the overall ratio of total benefits to gross payroll increased to 42.3 percent, up from 39 percent in 2001, according to the U.S. Chamber of Commerce's 2003 Employee Benefits Study released in January 2004.

Because health-care costs are expected to rise at 13 to 15 percent annually, new strategies are being sought to contain costs. Employers as a whole say they are committed to playing a leading role in providing company-sponsored health benefits, finding strategies that address the problems associated with rising costs and developing efficient delivery systems.

Some of the tactics under consideration to address the issues and close the value gap include:

- reengineering the contribution, benefit design and network strategy to create greater employee/retiree and provider accountability;
- implementing management programs that offer personal support for medical conditions, establish a 24/7 nurse line for plan members and integrate a comprehensive workplace wellness program;
- encouraging more participation in health-care decisions; and
- realigning the prescription drug benefit.

If you would like to suggest some strategies, use No More Surprises on YSource or write to Plan Administrator, 104 Union Valley Road, Oak Ridge, 37830.

Y-12ers exhibit volunteer spirit

Y-12 employees once again showed their caring hearts and can-do attitudes when volunteers from the Local 718 Union of Pipefitters, Air Conditioning Mechanics and Welders performed maintenance on six heating and cooling units at the Children's Museum of Oak Ridge.

Tim Milligan, David Castleberry, Harold Wilson, Steve Jones and John Whalen from Facilities, Infrastructure and Services gave up a Saturday to service the units at the museum. Milligan and Whalen brought their sons, Tyler and Anthony, to help with activities.

The volunteers are certain the units will function better since the filters were changed and the units were cleaned and oiled. Johnstone Supply in Knoxville provided a discount rate on high-quality set-back thermostats that will ease the monthly utility burden on the museum.



Volunteers included (back row) David Castleberry; Steve Jones; (middle row) Selma Shapiro, executive director of the Children's Museum; John Whalen; Tim Milligan; Harold Wilson; Jim Harris; and (kneeling) Anthony Whalen; Tyler Milligan; Danny Kaczmar.

Beware of malware

There's a name for those nasty viruses, worms and Trojan horses that can infect your computer system, causing it to produce infections and epidemics—malware.

These forms of bad software are not only nuisances but also a threat to our nation's infrastructure because they can invade, subvert and disrupt control and information systems.

Martin Beckerman of Technical Computing has drawn parallels between biological and cyber pathogen invasion and proliferation. Just as ever-smarter bacteria emerge in response to antibiotics, newer, smarter generations of computer viruses appear in response to antivirus software packages. These newer forms of malware can pass through firewalls and other protective devices as though they weren't even there.

Beckerman and his Technical Computing coworkers, Kibbee Streetman, Frances Butler and Carla Decker, are developing one solution to malware, the Virus Propagation Analysis Tool.

VPAT will combine a simulation module with malware databases and network characterization tools and analyze a network's behavior in response to various kinds of malware attacks. By helping identify weak points in the network's defenses, VPAT will make recommendations for improvements in the cyber-infrastructure.

VPAT is funded by the Technical Support Working Group of the U.S. Department of Defense's Combating Terrorism Technology Support Office. It is hoped a prototype system will be produced within 18 months.



Union ratifies new contract

The Atomic Trades and Labor Council membership ratified a new contract on June 26 with a signing bonus of \$1,500 per employee.

The ATLC, which is affiliated with the Metal Trades Department, AFL-CIO, is compiled of 16 international unions and 17 local unions. The ATLC currently represents approximately 2,100 members at the Y-12 National Security Complex and Oak Ridge National Laboratory.

The new contract includes an increase in health insurance phased in over a three-year period: 15 percent this July 1, 18 percent in 2005 and 20 percent in 2006.

The new contract calls for five annual wage increases of 4.5, 4, 4, 3.5 and 3 percent with this year's raise retroactive to April 1. The new contract also includes 5 percent pay increases for workers certified in the "material access area" and a comparable increase for those certified in the Human Reliability Program. Increases in weekend and shift premiums:

30 cents to 60 cents for evening shift, 60 cents to \$1.20 for midnight shift and 50 cents to \$1 for weekend premium are also part of the new contract.

The new contract also removes the 30-year cap and 47 percent maximum and suggests the joint and survivor reduction factor be lowered to a flat 2 percent.

"I think that we have one of the better contracts, all things considered. There are three issues we have to deal with. I'll take full responsibility of them."—Bubba Scarbrough, president, Atomic Trades and Labor Council

Service Anniversaries *(June and July anniversaries will be featured in the next issue of BWX TYmes.)*

May

53 Years

Manufacturing: James E. Thompson Jr.

43 Years

Applied Technologies: Leonard A.

Abbattiello

41 Years

Engineering: James P. Kois

35 Years

Engineering: Lonnie E. Cochran and Robert P. Neger Jr.

Facilities, Infrastructure & Services:

Robert L. McCartt, John H. Schorn and Bill A. Shipwash

Projects: Samuel D. Babb

Quality Assurance: Jacky A. Goss and James A. Hummel

30 Years

Engineering: Walter A. McClanahan

Facilities, Infrastructure & Services:

James E. Duncan

Human Resources: Deborah P. Watson

Information and Materials: Jacqueline C. Corpening and Dartis F. Francis III

Manufacturing: Richard D. Hughes

Quality Assurance: Linda S. Barringer

25 Years

Engineering: Aubrey M. Ammons

Environment, Safety & Health: Cindy F. Hartsell

Human Resources: Claude H. Martin

Information and Materials: Cassandra R. Martin

Manufacturing: Jack K. Ford, Michael F. Kirkland, Raymond A. Perkins Jr., Myra E. Potter, William H. Wilkinson and Patsy J. Wise

Planning & Integration: Gary B. Johnson

Quality Assurance: Eric E. Angros, Clarence A. Garrett, Mark A. Hopkins and Richard E. Slagle

20 Years

Applied Technologies: Russell L. Hallman Jr. and Mark W. Ward

Engineering: Frederick A. Page

Environment, Safety & Health: Eric D.

Henderson and Nicholas S. Varsalona

Facilities, Infrastructure & Services:

Willie J. Banks Jr. and Howard L.

Vandergriff Jr.

Human Resources: Phyllis J. Potter

Information and Materials: Janet B.

Bradshaw and Michael L. Ramsey

Planning & Integration: Rodney J.

Bittner

Quality Assurance: Lisa G. Ellison

Correction: The following people were inadvertently omitted in the March anniversaries. We apologize for the oversight.

30 Years

Human Resources: Donna M. Watson

20 Years

Human Resources: Nancy C. Smith

No more
surpr!ses

Question: Could the number to call for getting wasp nests destroyed be posted on YSource for the remainder of the spring and summer seasons? The covered walkway leading into my work area (9215, Dock 18) has four "active" wasp nests, and I suspect there are other such areas at the Complex.

Answer: The information has been added to YSource and will remain there for the duration of the summer. The phone number for Buzz Busters is 574-0480.

was the place to be in 2004!

Kids and adults had fun and learned about safety at the fourth annual Safety Expo held June 9. Some 9,000 people attended, including Y-12 employees, retirees and the general public. With more than 180 exhibits, special demonstrations and activities, there was something for everyone. President and General Manager Dennis Ruddy even sang with three of his managers in a “barbershop quartet” with the jovial crowd cheering them on. Activities for children included fingerprinting, a fire safety dog, a magician and a treasure hunt.



D-Rud and the Bratty Behavior Singers (a.k.a. Dennis Ruddy, A.C. Hollins, Darrel Kohlhorst and Jim Holland – not pictured) perform for the crowd at Safety Expo.



The 2004 Safety Expo Steering Committee, back row from left to right, Ala Montgomery, Susan Morris, Jan Gilbert – chair, Jim Eaton, Garry Whitley – ATLC co-chair, Tom Kesterson, Preston Cloud – chair-elect, Bob Spence, Sandy Babb, Judie Henegar; Tonya Jackson and Connie Polson. Front row from left to right, Mona Wright, Letitia Murr, Justin Davis, Lisa Shope and Terri Renfro.



Will Leinart, son of Melissa Leinart of Public and Governmental Affairs and Bill Leinart of Safeguards and Security, has a go at the bungee run.

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